SECRETARY'S OFFICE
JUL 3 1919

SIXTY - FIFTH

ANNUAL REPORT

OF THE

BOARD OF DIRECTORS

OF THE

CHICAGO, BURLINGTON & QUINCY
RAILROAD COMPANY

TO THE

STOCKHOLDERS

FOR THE YEAR ENDED DECEMBER 31, 1918

FAITHORN COMPANY, CHICAGO

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THE CLEVELAND PUBLIC LIBRARY

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY

DIRECTORS

TERM EXPIRES 1920

ROBERT J. DUNHAM	Chicago
SAMUEL C. SCOTTEN	Chicago
OLIVER M. SPENCER	Chicago

TERM EXPIRES 1921

RALPH BUDD	St. Paul
CHARLES W. BUNN	St. Paul
CHARLES I. STURGIS	Chicago

TERM EXPIRES 1922

HOWARD ELLIOTT	New York
THOMAS S. HOWLAND	Chicago

TERM EXPIRES 1923

LOUIS W. HILL	St. Paul
CHARLES E. PERKINS	Chicago
FREDERICK H. RAWSON	Chicago

EXECUTIVE COMMITTEE

RALPH BUDD...... Chairman

CHARLES W. BUNN
HOWARD ELLIOTT
LOUIS W. HILL

SAMUEL C. SCOTTEN
OLIVER M. SPENCER
CHARLES E. PERKINS, Ex-officio

OFFICERS

CORPORATE

CHARLES E. PERKINS	*President.*
T. S. HOWLAND	*Vice-President.*
E. A. HOWARD	*Vice-President.*
J. H. CARROLL	*Assistant to President.*
T. S. HOWLAND	*Secretary and Treasurer.*
O. M. SPENCER	*General Counsel.*
E. M. SHELTON	*Assistant to General Counsel.*
C. I. STURGIS	*Comptroller.*
A. W. NEWTON	*Chief Engineer.*
W. J. JARVIS	*Assistant Secretary.*
E. T. NICHOLS NICHOLAS TERHUNE	*Fiscal Agents, 32 Nassau St., New York.*
M. H. NILES E. A. BERNHOLZ	*Transfer Agents, 32 Nassau St., New York.*
FRANK S. BAGG	*Transfer Agent, Chicago, Ill.*
STATE STREET TRUST CO.	*Fiscal and Transfer Agents, 33 State St., Boston, Mass.*

FEDERAL

HALE HOLDEN	*Regional Director.*
C. G. BURNHAM	*Federal Manager.*
W. W. BALDWIN	*Federal Treasurer.*
C. J. ERNST	*Assistant Federal Treasurer.*
C. M. CARTER	*Assistant Federal Treasurer.*
R. B. SCOTT	*General Solicitor.*
BYRON CLARK	*Solicitor.*
H. D. FOSTER	*Federal Auditor.*
E. P. BRACKEN	*General Manager.*
G. W. HOLDREGE	*Assistant General Manager.*
L. B. ALLEN	*Assistant General Manager.*
H. E. JARVIS	*Custodian of Contracts and Records.*

SIXTY-FIFTH ANNUAL REPORT

Chicago, January 1, 1919.

To the Stockholders of the Chicago, Burlington & Quincy Railroad Company:

In connection with the following report submitted by your Board of Directors for the year ended December 31, 1918, it is desired to call your attention to the following facts:

The President of the United States, by a Proclamation dated December 26, 1917, took possession and assumed control of the transportation system of this Company, and of the appurtenances thereto, at 12 o'clock noon on December 28, 1917, and the property has been operated since midnight of December 31, 1917, for the account of the United States Government, under the direction of the Director General of Railroads.

In accordance with the provisions of an Act known as the Federal Control Act approved March 21, 1918, the officers of this Company, having been duly ordered to do so by resolution of the Board of Directors, authorized by a vote of the stockholders at a meeting called to consider the question October 8, 1918, entered into a contract with the Director General of Railroads dated October 8, 1918, providing for the maintenance and upkeep of the property, and for a compensation covering its use during the period of Federal Control, as follows:

Chicago, Burlington & Quincy Railroad Company..	$33,360,683.11
Quincy, Omaha & Kansas City Railroad Company..	29,396.50
	$33,390,079.61

The contract entered into is in the standard form, the compensation being based on the average net operating revenues of the Company for the three year period July 1, 1914, to June 30, 1917, both inclusive.

To preserve the continuity of record, this report contains accounts and tables of both the Corporate and Federal Administrations.

COMPARATIVE STATEMENT OF CORPORATE INCOME, YEARS ENDED DECEMBER 31

1918		1917
$33,360,683.11	Standard Return	
$ 106,361.50	Operating Expenses (General)	
2,479,363.11	War Tax Accruals	
$ 2,585,724.61	Total Operating Expenses and Taxes	
$30,774,958.50	Net	
	Operating Income less Net Equipment and Joint Facility Rents	$34,748,471.68
	NON-OPERATING INCOME	
$ 227,222.40	Rents	$ 187,086.86
597,364.74	Dividends and miscellaneous interest	1,386,346.62
2,377,760.95#	Miscellaneous income	2,180.13
$ 3,202,348.09	Total Non-Operating income	$ 1,575,613.61
$33,977,306.59	Gross income	$36,324,085.29
	DEDUCTIONS FROM GROSS INCOME	
$ 53,085.99	Rents	$ 54,737.35
6,750,462.58	Interest on funded debt	6,790,176.50
74,253.92	Interest on unfunded debt	802.69
55,792.32	Amortization of discount on funded debt	55,373.16
4,251,211.82#	Miscellaneous income charges	16,963.16
$11,184,806.63	Total deductions from gross income	$ 6,918,052.86
$22,792,499.96	Net income	$29,406,032.43
	DISPOSITION OF NET INCOME	
	Appropriations for:	
$ 841,892.51	Sinking funds	$ 1,397,030.86
8,867,128.00	Dividends	19,951,038.00
10,265,850.98	Additions and betterments	8,057,963.57
$19,974,871.49	Total appropriations of income	$29,406,032.43
$ 2,817,628.47	Income balance transferred to profit and loss	

##Includes "Lap-over" items credited and charged by Federal Administration.

The Federal Management is obliged to keep its accounts in accordance with the Classifications and Rulings of the Interstate Commerce Commission, which are in many instances at variance with the terms of the Agreement entered into by this Company and the Director General of U. S. Railroad Administration, and pending final interpretation of said Agreement, this Company has temporarily used and has included in the above Income statement the charges and credits to the Corporation as made by the Federal Management.

MILEAGE

MILEAGE OF ROAD OPERATED ON DECEMBER 31, 1918

STATE	Line Owned			Operated Under Lease or Contract	Total Mileage Operated
	Main Line	Branches and Spurs	Total		
Colorado	214.11	180.25	394.36	34.97	429.33
Illinois	929.60	745.12	1,674.72	113.85	1,788.57
Iowa	371.68	993.44	1,365.12	73.44	1,438.56
Kansas	12.71	246.58	259.29	.91	260.20
Minnesota	23.61	....	23.61	14.84	38.45
Missouri	593.63	528.68	1,122.31	13.15	1,135.46
Montana	134.38	....	134.38	49.45	183.83
Nebraska	1,364.73	1,485.58	2,850.31	22.37	2,872.68
South Dakota	48.88	230.91	279.79	....	279.79
Wisconsin	222.33	....	222.33	.53	222.86
Wyoming	572.71	120.91	693.62	29.64	723.26
Total	4,488.37	4,531.47	9,019.84	353.15	9,372.99

STATE	LINE OWNED					
	Miles of Road	Second Track	Third Track	Fourth Track	Yard Track and Sidings	Total
Colorado	394.36	....	....	....	141.87	536.23
Illinois	1,674.72	465.05	42.40	5.41	1,049.78	3,237.36
Iowa	1,365.12	243.55	....	....	355.62	1,964.29
Kansas	259.29	....	....	....	25.37	284.66
Minnesota	23.61	....	2.25	....	37.44	63.30
Missouri	1,122.31	113.13	....	....	435.20	1,670.64
Montana	134.38	....	....	....	36.15	170.53
Nebraska	2,850.31	32.34	....	....	766.05	3,648.70
South Dakota	279.79	....	....	....	62.04	341.83
Wisconsin	222.33	136.65	....	....	76.18	435.16
Wyoming	693.62	3.66	....	....	243.34	940.62
Total	9,019.84	994.38	44.65	5.41	3,229.04	13,293.32

The changes during the year were:

Increase in road owned . .	.98 miles
Decrease in line operated . .	.08 miles

CAPITALIZATION

CAPITAL STOCK

Number of Shares	Total Par Value Authorized and Outstanding	Dividends declared During the Year	
		Rate	Amount
1,108,391	$110,839,100.00	Regular 8%	$8,867,128.00

The capital stock outstanding remained without change during the year.

FUNDED DEBT

Nominally Issued	Actually Issued				Interest Accrued During Year on Bonds "Actually Outstanding"
	Reacquired			Actually Outstanding	
In Treasury	In Treasury	Pledged	In Sinking Funds		
$9,873,000	$3,144,000	$31,000	$10,350,900	$174,599,300	$6,750,462.58

ACCRUED TAXES

	1918	1917	Increase or Decrease
Federal:			
Colorado	$ 322,320.82	$ 300,244.83	Inc. $22,075.99
Illinois	1,090,545.12	1,622,989.45	Dec. 532,444.33
Iowa	704,282.00	671,779.45	Inc. 32,502.55
Kansas	84,649.15	86,313.49	Dec. 1,664.34
Minnesota	44,249.73	37,705.96	Inc. 6,543.77
Missouri	389,321.22	344,145.12	Inc. 45,176.10
Montana	84,903.18	80,362.13	Inc. 4,541.05
Nebraska	1,312,925.47	1,264,039.86	Inc. 48,885.61
South Dakota	127,513.17	145,617.38	Dec. 18,104.21
Wisconsin	362,224.82	312,791.27	Inc. 49,433.55
Wyoming	315,467.97	327,762.15	Dec. 12,294.18
Other States	219.67	233.56	Dec. 13.89
Total States	$4,838,622.32	$5,193,984.65	Dec. $355,362.33
United States Government	$ 672,972.02	$ 714,898.22	Dec. $ 41,926.20
Total Federal	$5,511,594.34	$5,908,882.87	Dec. $397,288.53
Corporate:			
United States Government War Taxes	$2,479,363.11	$2,491,291.97	Dec. $ 11,928.86
Grand Total	$7,990,957.45	$8,400,174.84	Dec. $409,217.39

NOTE: Taxes for 1917 are shown divided under "Federal" and "Corporate" for purpose of comparison. All taxes of that year were paid by the Corporation, as it then operated the property.

STATISTICS OF OPERATIONS

ITEM	1918	1917	Increase or Decrease	
Average mileage of road operated (miles)	9,373.12	9,373.38	Dec.	.26
TRAIN-MILES				
Freight—ordinary	20,243,046	20,038,754	Inc.	204,292
" —light	253,808	182,707	Inc.	71,101
" —total	20,496,854	20,221,461	Inc.	275,393
Passenger*	16,962,401	18,288,729	Dec.	1,326,328
Mixed	679,111	661,035	Inc.	18,076
Special	13,968	20,020	Dec.	6,052
Total transportation service	38,152,334	39,191,245	Dec.	1,038,911
Work service	883,021	839,905	Inc.	43,116
LOCOMOTIVE-MILES				
Freight—principal	20,507,410	20,244,277	Inc.	263,133
" —helper	1,085,241	984,355	Inc.	100,886
" —light	1,062,148	1,067,547	Dec.	5,399
" —total	22,654,799	22,296,179	Inc.	358,620
Passenger—principal	16,921,038	18,226,579	Dec.	1,305,541
" —helper	165,455	156,096	Inc.	9,359
" —light	324,879	351,433	Dec.	26,554
" —total	17,411,372	18,734,108	Dec.	1,322,736
Mixed train—principal	679,357	661,327	Inc.	18,030
" " —helper	5,628	2,895	Inc.	2,733
" " —light	7,129	6,134	Inc.	995
" " —total	692,114	670,356	Inc.	21,758
Special—principal	14,205	20,020	Dec.	5,815
" —helper	1,568	1,080	Inc.	488
" —light	197	496	Dec.	299
" —total	15,970	21,596	Dec.	5,626

*Includes 41,294 motor-train miles in 1918, and 62,150 motor-train miles in 1917.

Train switching	902,281	1,062,918	Dec.	160,637
Yard switching—freight	10,351,862	10,320,479	Inc.	31,383
" " —passenger	641,426	646,647	Dec.	5,221
" " —total	10,993,288	10,967,126	Inc.	26,162
Total transportation service	52,669,824	53,752,283	Dec.	1,082,459
Work service	1,498,195	1,466,019	Inc.	32,176
CAR-MILES				
Freight train—loaded	547,040,655	559,669,726	Dec.	12,629,071
" " —empty	272,526,493	245,838,173	Inc.	26,688,320
Sum of loaded and empty	819,567,148	805,507,899	Inc.	14,059,249
Freight train—caboose	20,672,565	20,267,755	Inc.	404,810
" " —total	840,239,713	825,775,654	Inc.	14,464,059
Passenger train—passenger†	44,414,607	47,202,308	Dec.	2,787,701
" " —sleeping, parlor and observation	21,186,851	28,542,797	Dec.	7,355,946
" " —dining	4,215,142	4,947,985	Dec.	732,843
" " —other	38,747,112	39,391,906	Dec.	644,794
" " —total	108,563,712	120,084,996	Dec.	11,521,284
Mixed train—freight, loaded	2,375,539	2,777,359	Dec.	401,820
" " —freight, empty	903,237	900,179	Inc.	3,058
" " —caboose	7,209	19,039	Dec.	11,830
" " —passenger	1,091,203	1,092,348	Dec.	1,145
" " —sleeping, parlor and observation	65,124	127,815	Dec.	62,691
" " —dining	22	....	Inc.	22
" " —other passenger train	259,400	258,110	Inc.	1,290
" " —total	4,701,734	5,174,850	Dec.	473,116

†Includes 41,294 motor car miles in 1918 and 62,150 motor car miles in 1917.

STATISTICS OF OPERATIONS—CONTINUED

ITEM	1918	1917	Increase or Decrease	
CAR-MILES—Continued				
Special train—freight, loaded	160,134	237,261	Dec.	77,127
" " —freight, empty	8	31,457	Dec.	31,449
" " —caboose	11,480	19,690	Dec.	8,210
" " —passenger	49,648	79,180	Dec.	29,532
" " —sleeping, parlor and observation	2,648	....	Inc.	2,648
" " —dining	315	....	Inc.	315
" " —other passenger train	1,461	60	Inc.	1,401
" " —total	225,694	367,648	Dec.	141,954
Total transportation service	953,730,853	951,403,148	Inc.	2,327,705
Work service	2,639,482	2,265,924	Inc.	373,558
FREIGHT SERVICE				
Tons—revenue freight	47,264,416	45,364,552	Inc.	1,899,864
" —non-revenue freight	10,114,758	9,715,752	Inc.	399,006
" —total	57,379,174	55,080,304	Inc.	2,298,870
Ton miles—revenue freight	14,162,605,344	13,143,186,449	Inc.	1,019,418,895
" " —non-revenue freight	2,133,213,052	2,030,721,073	Inc.	102,491,979
" " —total	16,295,818,396	15,173,907,522	Inc.	1,121,910,874
PASSENGER SERVICE				
Passengers carried—revenue	20,517,319	22,670,409	Dec.	2,153,090
Passenger miles—revenue	1,144,478,755	1,186,681,521	Dec.	42,202,766
REVENUES AND EXPENSES				
Freight revenue	$104,492,837.47	$ 87,008,589.67	Inc.	$17,484,247.80
Passenger revenue	28,052,904.79	24,373,779.64	Inc.	3,679,125.15
Passenger service train revenue	35,224,291.44	30,888,643.97	Inc.	4,335,647.47
Operating revenues	$144,172,769.29	$122,342,706.60	Inc.	$21,830,062.69
" expenses	112,067,616.18*	78,632,343.53	Inc.	33,435,272.65
Net operating revenues	$ 32,105,153.11*	$ 43,710,363.07	Dec.	$11,605,209.96

*Corporation expenses not included.

AVERAGES PER MILE OF ROAD

Freight-train miles	2,187	2,157	Inc.	30
Passenger-train miles	1,810	1,951	Dec.	141
Mixed-train miles	72	71	Inc.	1
Special-train miles	1	2	Dec.	1
Transportation service train-miles	4,070	4,181	Dec.	111
Work-train miles	94	90	Inc.	4
Locomotive-miles—transportation	5,619	5,735	Dec.	116
Freight service car-miles	90,012	86,361	Inc.	3,651
Passenger service car-miles	11,739	12,977	Dec.	1,238
Freight revenue	$11,148.14	$ 9,282.52	Inc.	$1,865.62
Passenger service train revenue	3,758.01	3,295.36	Inc.	462.65
Operating revenues	15,381.51	13,052.14	Inc.	2,329.37
" expenses	11,956.27*	8,388.90	Inc.	3,567.37
Net operating revenues	3,425.24*	4,663.24	Dec.	1,238.00
Ton-miles—revenue freight	1,510,981	1,402,182	Inc.	108,799
" " —all freight	1,738,569	1,618,830	Inc.	119,739
Passenger-miles—revenue	122,102	126,601	Dec.	4,499

AVERAGES PER TRAIN-MILE

Loaded freight car-miles—freight trains	26.69	27.68	Dec.	.99
" " " —mixed trains	3.50	4.20	Dec.	.70
Empty " " —freight trains	13.30	12.16	Inc.	1.14
" " " —mixed trains	1.33	1.36	Dec.	.03
Ton-miles—revenue freight	668.81	629.39	Inc.	39.42
" —all freight	769.54	726.63	Inc.	42.91
Passenger train car-miles—passenger trains	6.40	6.57	Dec.	.17
" " " —mixed trains	2.08	2.24	Dec.	.16
Revenue passenger-miles	64.87	62.62	Inc.	2.25
Freight revenue	$ 4.93	$ 4.17	Inc.	$ .76
Passenger service train revenue	2.00	1.63	Inc.	.37
Operating revenues	3.78	3.12	Inc.	.66
" expenses	2.94*	2.01	Inc.	.93
Net operating revenues	.84*	1.11	Dec.	.27

*Corporation expenses not included.

STATISTICS OF OPERATIONS—CONTINUED

ITEM	1918	1917	Increase or Decrease	
AVERAGES PER LOCOMOTIVE-MILE				
Train-miles—freight trains	.90	.91	Dec.	.01
Car-miles—freight trains	37.09	37.04	Inc.	.05
Train-miles—passenger trains	.97	.98	Dec.	.01
Car-miles—passenger trains	6.24	6.41	Dec.	.17
Train-miles—mixed trains	.98	.99	Dec.	.01
Car-miles—mixed trains	6.79	7.72	Dec.	.93
Train-miles—special trains	.87	.93	Dec.	.06
Car-miles—special trains	14.13	17.02	Dec.	2.89
AVERAGES PER LOADED FREIGHT CAR-MILE.				
Ton-miles—revenue freight	25.78	23.37	Inc.	2.41
" " —all freight	29.66	26.98	Inc.	2.68
Freight revenue	$ .19019	$ .15470	Inc.	$.03549
AVERAGES PER CAR-MILE—PASSENGER				
Passenger-miles—revenue	17.14	15.42	Inc.	1.72
Passenger revenue	$ .42022	$ .31669	Inc.	$ .10353
MISCELLANEOUS AVERAGES				
Miles hauled—revenue freight	299.65	289.72	Inc.	9.93
" " —non-revenue freight	210.90	209.01	Inc.	1.89
" " —all freight	284.00	275.49	Inc.	8.51
Miles carried—revenue passengers	55.78	52.34	Inc.	3.44
Revenue per ton of freight	$ 2.21081	$ 1.91799	Inc.	$ .29282
" " ton-mile of freight	.00738	.00662	Inc.	.00076
" " passenger	1.36728	1.07514	Inc.	.29214
" " passenger-mile	.02451	.02054	Inc.	.00397
Operating ratio	* 77.73%	64.27%	Inc.	13.46%

*Corporation expenses not included.

EQUIPMENT

CLASS OF EQUIPMENT	Number on Dec. 31, 1917	Number Added During Year	Number Retired During Year	Number on Dec. 31, 1918	Average Tractive Power All Locomotives and Average Capacity All Freight Cars
Steam locomotives...........	1,784	30	8	1,806	32,798
Freight-train cars:					
Box cars.................	31,753	628	666	31,715	....
Flat cars.................	1,527	....	23	1,504	....
Stock cars................	7,363	380	375	7,368	....
Coal cars.................	25,675	100	124	25,651	....
Tank cars.................	215	125	....	340	....
Refrigerator cars..........	2,857	....	78	2,779	....
Caboose cars..............	736	56	19	773	....
Other freight-train cars.....	79	15	1	93	....
All classes of freight-train cars..................	70,205	1,304	1,286	70,223	41.59 Tons
Passenger-train cars:					
Coaches..................	669	1	6	664	....
Combination passenger cars	150	1	3	148	....
Other combination cars....	109	....	....	109	....
Dining cars...............	44	....	....	44	....
Parlor cars...............	14	....	....	14	....
Baggage and express cars...	229	15	1	243	....
Postal cars...............	48	....	....	48	....
Other passenger-train cars..	38	....	1	37	....
All classes of passenger-train cars............	1,301	17	11	1,307	....
Company service cars:					
Officers' and pay cars......	32	....	....	32	....
Ballast cars...............	2,202	....	56	2,146	....
Derrick cars..............	21	....	....	21	....
Steam Shovels............	19	....	....	19	....
Wrecking cars.............	19	....	....	19	....
Other company service cars	2,716	51	78	2,689	....
All classes of company service cars............	5,009	51	134	4,926	....
All classes of cars in service	76,515	1,372	1,431	76,456	....
Floating equipment:					
Steamboats and tugboats...	3	....	....	3	....
Barges, car floats and canal boats..................	58	....	2	56	....
Other floating equipment...	11	....	2	9	....
Total floating equipment.	72	....	4	68	....

REVENUE FREIGHT CARRIED DURING THE YEAR

COMMODITIES		Number of Tons Originating on this Road	Number of Tons Received from Connecting Carriers	TOTAL	
				Number of Tons	Percent of Whole
Products of Agriculture	Grain	4,224,575	677,988	4,902,563	10.4
	Flour	568,768	263,664	832,432	1.8
	Other mill products	294,666	102,041	396,707	.8
	Hay	243,175	82,718	325,893	.7
	Tobacco	4,494	24,803	29,297	.1
	Cotton	5,084	96,958	102,042	.2
	Fruits and Vegetables	696,305	864,658	1,560,963	3.3
	Other products	177,877	188,400	366,277	.7
	Total	6,214,944	2,301,230	8,516,174	18.0
Products of Animals	Live stock	2,140,979	349,894	2,490,873	5.3
	Dressed meats	354,224	37,374	391,598	.8
	Other packing house products	106,198	20,695	126,893	.3
	Poultry, game and fish	81,619	74,058	155,677	.3
	Wool	7,175	17,220	24,395	.1
	Hides and leather	25,320	16,215	41,535	.1
	Other products	210,227	61,669	271,896	.5
	Total	2,925,742	577,125	3,502,867	7.4
Products of Mines	Anthracite coal	27,738	25,548	53,286	.1
	Bituminous coal	14,059,081	2,997,218	17,056,299	36.1
	Coke	69,069	159,623	228,692	.5
	Ores	128,192	637,100	765,292	1.6
	Stone, sand, etc	1,924,316	439,874	2,364,190	5.0
	Other products	21,195	102,054	123,249	.3
	Total	16,229,591	4,361,417	20,591,008	43.6
Products of Forests	Lumber	379,621	2,247,852	2,627,473	5.6
	Other products	91,917	107,875	199,792	.4
	Total	471,538	2,355,727	2,827,265	6.0
Manufactures	Petroleum and other oils	1,028,274	753,913	1,782,187	3.8
	Sugar	208,506	168,675	377,181	.8
	Naval stores	13,734	13,680	27,414	.1
	Iron, pig and bloom	36,478	226,706	263,184	.6
	Iron and steel rails	14,579	115,520	130,099	.3
	Other castings and machinery	193,500	300,968	494,468	1.0
	Bar and sheet metal	199,924	858,554	1,058,478	2.2
	Cement, brick and lime	1,152,200	402,079	1,554,279	3.3
	Agricultural implements	178,220	59,156	237,376	.5
	Wagons, carriages, tools, etc	54,711	104,575	159,286	.3
	Wines, liquors and beers	96,213	53,161	149,374	.3
	Household goods, etc	57,065	47,427	104,492	.2
	Other Manufactures	649,743	896,153	1,545,896	3.3
	Total	3,883,147	4,000,567	7,883,714	16.7
Miscellaneous		813,706	257,757	1,071,463	2.3
Less Car Load		1,975,597	896,328	2,871,925	6.0
Grand Total, All Commodities		32,514,265	14,750,151	47,264,416	100.0

INVESTMENT IN ROAD AND EQUIPMENT DURING THE YEAR

ACCOUNT	New Lines and Extensions	Additions and Betterments	Total
Engineering	$ 555.43	$ 148,672.44	$ 149,227.87
Land for transportation purposes	10,207.49	1,719,324.81	1,729,532.30
Grading	9,252.26	772,934.59	782,186.85
Tunnels and subways	Cr. 93.00	561.69	468.69
Bridges, trestles and culverts	Cr. 2,668.83	1,261,390.75	1,258,721.92
Ties	Cr. 345.43	226,272.79	225,927.36
Rails	Cr. 1,998.04	571,930.30	569,932.26
Other track material	Cr. 1,305.56	930,586.53	929,280.97
Ballast	23.60	96,426.57	96,450.17
Track laying and surfacing	Cr. 1,521.13	450,626.22	449,105.09
Right-of-way fences		14,939.88	14,939.88
Snow and sand fences and snow sheds		6,463.34	6,463.34
Crossings and signs	Cr. 1,335.56	325,687.83	324,352.27
Station and office buildings	Cr. 1,054.67	669,731.34	668,676.67
Roadway buildings		88,284.28	88,284.28
Water stations		386,782.18	386,782.18
Fuel stations		97,783.49	97,783.49
Shops and enginehouses		600,344.06	600,344.06
Storage warehouses		.30	.30
Wharves and docks		Cr. 5,316.05	Cr. 5,316.05
Telegraph and telephone lines	273.00	51,233.46	51,506.46
Signals and interlockers		677,715.31	677,715.31
Power plant buildings		Cr. 3,425.32	Cr. 3,425.32
Power distribution systems		6,247.08	6,247.08
Power line poles and fixtures		969.89	969.89
Miscellaneous structures		150,776.51	150,776.51
Paving		Cr. 2,742.85	Cr. 2,742.85
Roadway machines		61,162.69	61,162.69
Roadway small tools		Cr. 313.34	Cr. 313.34
Assessments for public improvements	17.00	Cr. 9,810.65	Cr. 9,793.65
Other expenditures—road		Cr. 317.98	Cr. 317.98
Shop machinery		228,823.16	228,823.16
Power plant machinery		6,538.89	6,538.89
Unapplied construction material and supplies		687.13	687.13
Total expenditures for road	$10,006.56	$ 9,530,971.32	$ 9,540,977.88
Steam locomotives		1,857,006.21	1,857,006.21
Freight-train cars		725,472.76	725,472.76
Passenger-train cars		145,354.58	145,354.58
Floating equipment		4,414.98	4,414.98
Work equipment		Cr. 50,259.42	Cr. 50,259.42
Miscellaneous equipment		2,213.55	2,213.55
Total expenditures for equipment		$ 2,684,202.66	$ 2,684,202.66
Interest during construction		219,795.49	219,795.49
Total general expenditures		$ 219,795.49	$ 219,795.49
Grand Total	$10,006.56	$12,434,969.47	$*12,444.976.03

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*Of this amount $439,856.20 was charged to previously appropriated net income, and $10,265,850.98 was appropriated from the Corporation's net income of the current year.

NOTE: There is not included in the above figures roadway property, taken up and not replaced, the ledger value of which was $9,937.48. This amount was credited to unadjusted credits on the Federal books.

The Operating Revenues in 1918 were $21,830,062.69 greater than in 1917, the principal increases being:

$17,484,247.80	in Freight Revenue,
3,679,125.15	in Passenger Revenue,
349,688.35	in Express Revenue, and
317,001.39	in Incidental Operating Revenues.

The total tons of revenue freight carried increased 1,899,864 or 4.2 percent. The movement of Live Stock and Animal Products was the largest in the history of the railroad, being 20.8 per cent in excess of the previous year. This was influenced to a considerable extent by the war and prevailing high prices. The movement of Agricultural Products was also larger than ever before, increasing 10.7 per cent over the previous year. The soft coal movement was 17,056,299, constituting 36.09 percent of the entire tonnage handled by the railroad, considerably in excess of any previous year. It is noticeable that although there was an increase in tons of all revenue freight carried of 1,899,864, there was practically no increase in number of cars, which was largely due to the hearty co-operation of shippers with the carriers in securing maximum loading during the period of the war.

The average revenue per ton per mile increased from 6.6 to 7.4 mills or 12.1 percent, the average revenue per freight train mile being $4.93 as against $4.17 in 1917. This was due primarily to the general increase in freight rates averaging approximately 20 percent made effective by the Railroad Administration on June 25, 1918.

The tons carried per train mile were the largest in the history of the railroad, being 769.54 as compared with 726.63 in 1917. Likewise the average tons per loaded car mile was heavier than ever before, being 29.66 as compared with 26.98 the previous year.

The Operating Expenses for the year were $33,541,634.15 greater than the previous year, with an increase in the operating ratio from 64.27 to 77.81, or 21.1 percent. Details of same are shown in comparative statement contained in report of the Comptroller, pages 36 to 40, incl. Throughout the year substantial advances were made to all classes of employes and the total of the payrolls was slightly more than 50 percent in excess of 1917. The average rate of pay, however, at the end of the year had increased considerably more than that, as some of the advances were effective during only a part of the year 1918. It is also to be noted that the eight hour basic day has been established for practically all employes, and that piece work has been almost entirely eliminated. Rates of pay and working conditions were established by the Director General, based on investigations and reports to him by various commissions and boards and influenced primarily by the higher cost of living and prevailing wages in other industries.

The cost of locomotive fuel in 1918 was $14,542,385.96 as compared with $10,301,204.44 in 1917, an increase of $4,241,181.52 or 41.2 percent. Much of the coal used on the railroad was bought at prices fixed by the Fuel Administration, the operators generally refusing to contract on lower basis in view of the demands from other industries and the increased cost of production. Materials other than fuel cost $23,377,874.86, compared with $20,823,071.66 in 1917, an increase of $2,554,803.20 or 12.3 percent. While the current prices of many commodities were considerably higher than in previous years, much of the material, such as rail, fastenings and ties, used in the operations during 1918 had been contracted for prior thereto.

There was a decrease in passenger train miles of 1,326,328 or 7.3 percent. Passengers carried decreased 2,153,090 or 9.5 percent. The average revenue per passenger train mile, however, increased from $1.63 to $2.00, and the average revenue per passenger mile increased from $.0205 to $.0245. Effective June 10, 1918, the Director General established generally a basic rate of 3c per mile for both interstate and intrastate movement, and special tourist rates were also curtailed or advanced materially. The revenue from mail traffic was practically the same as in the previous year, and this is the one item on which no increase in rates has been made as yet, but the question is now before the Interstate Commerce Commission for determination as to reasonable rates to be applied in the future.

The contract of this Company with Adams Express Company became non-operative on June 30, 1918, the express business on your line of road being, from that date, operated by the American Railway Express Company under an agreement made with the Director General of Railroads.

Expenditures during the year for investment in Road and Equipment were largely those resulting from a general program of maintaining the property up to normal in order that the terms of the agreement between the Federal Administration and the Company might be fulfilled.

The work of rebuilding freight terminals in Chicago was discontinued and contracts that were under way were cancelled. Before these contracts were closed out there was expended $742,680.27 in 1918, bringing the total cost to date $1,220,768.26.

In connection with the improvements of yards at Clyde, the work under way in 1917 was completed and extensions to the north or west bound yard were undertaken and about 60 percent completed at an expenditure during the year of $274,025.52.

It was decided that work should proceed on Aurora track elevation and contract for grading was let, and bridge work under Company forces proceeded on a limited program. Expenditures on this work for the year amounted to $264,393.37, bringing the total expenditure to date on account of this improvement to $1,453,693.37.

Large increases in business and progress of the track elevation at Aurora made necessary further development of terminals at Eola at which place increased trackage, a roundhouse, turntable, coal and water facilities and a power and heating plant were constructed and were about 95 percent completed at the end of the year, $191,523.90 having been expended in 1918.

In connection with the improvement of engine terminals, a new ten stall roundhouse, together with other facilities, was installed at Bridgeport, Neb., at an expenditure of $75,929.16.

Following the fixed program of gradually increasing the amount of double track on the Beardstown Division to expedite the movement of traffic, second track was completed between Smithboro and Durley, Keyesport and Shattuc, and Litchfield and Walshville, amounting to 20.87 miles. The projects were not entirely completed although such progress had been made as to permit of all of the trackage being put in operation. The expenditures on this work for the year amounted to $491,995.86. In addition to this, six miles of realignment and double track work between Ashland and Greenwood, Neb., begun in 1917, was completed at a total expenditure of $193,084.67. The amount expended in 1918 was $98,251.84.

In order to expedite the movement of trains over Crawford Hill, near Crawford, Neb., six miles of second track have been constructed at an expenditure of $176,810.90.

In order to permit prompt movement of coal trains between Dietz and Sheridan, Wyo., four miles of second track have been constructed at an expenditure of $67,867.91.

The usual program of permanent bridge construction was undertaken and to a large extent carried out. The concrete and steel bridge across the Platte River at Phillips, Neb., was completed and a similar bridge across the Platte River at Northport, Neb., was begun, the total expenditures on these two bridges to December 31, 1918, amounting to $266,882.04.

In connection with the construction of the new bridge at Phillips, Neb., a realignment and grade reduction was undertaken, which was 90 percent complete as of January 1st, and on which had been expended $124,060.76.

In connection with improvements to water supply on the system new reservoirs were constructed at Brookfield, Mo., at an expense of $51,182.10 and at Edgemont, S. D., at an expense of $111,656.96.

Permanent improvements consisting of a brick freight house and necessary tracks to serve, together with team tracks, were built at Casper, Wyo., at an expenditure of $47,203.29.

Automatic signals were installed on the line between Mendota and Galesburg, between Sheridan and Dietz, Wyo., and the completion of work already under way between Amazonia and Napier, and Galesburg and Ottumwa, expenditures for this work during the year amounting to $398,341.36.

During the year 256 miles of new 100-pound and 90-pound rail were laid in main track at various points on the system and 73 miles of second hand, recovered from track relaying, were laid in main track at points where needed.

Because of war conditions construction of new facilities of the Chicago Union Station Company, at the request of the Administration, was reduced to a minimum.

Work on elevation of Canal Street was closed down early in the spring and other construction work in connection with this project was held up, resulting in further delay to completion of these terminals.

The new power and equipment acquired during the year consisted of 20 freight and 10 passenger locomotives, and 125 tank, 100 coal and 628 box cars. 15 baggage cars were also added to passenger equipment. There were manufactured in Company shops 56 way cars and 380 stock cars.

The Railroad Administration has allotted to the Burlington:

25 Heavy Freight Locomotives,
20 Switch Locomotives,
500 Double Sheathed Box Cars,
1000 Composite Gondola Coal Cars,

of which 466 of the box cars had been delivered up to the end of the year and are included in the above figures for equipment received during the year.

The operation of all railroads by the Director General as one system with rerouting of traffic, consolidation of stations and terminals, revision of passenger train service, readjustment and simplification of division of through rates as between various carriers, elimination of per diem, changing methods of apportionment of expenses of maintaining and operating joint terminals, stations and other facilities, and repairs to cars, locomotives, etc., has all undoubtedly influenced to some extent the showing of earnings and expenses for particular railroads, but it cannot be said at this time to what extent it has affected the revenues and expenses reported herein for this railroad.

It is with pride that we can point to the fact that 5511 employes of the railroad were enlisted in the Army or Navy service.

It is fitting that this opportunity be taken to call attention to the cordial relations existing between the officers of the company and the federal officers having jurisdiction over your property and to the earnest spirit of cooperation which the latter have at all times shown.

Following is the report of the Comptroller.

By order of the Board of Directors.

CHARLES E. PERKINS,
President.

REPORT OF THE COMPTROLLER

To the Directors of the Chicago, Burlington & Quincy Railroad Company:

I herewith submit the following statements:

General balance sheet
Income account
Funded debt
Description of outstanding bonds
Sinking funds
Operating expenses

The General balance sheet and Income account statements contain figures received from the Federal Auditor. The accounts for subsequent periods will take up modifications of these figures, in order that they may conform to the correct interpretation of the terms of the Agreement made with the Director General of the United States Railroad Administration.

The figure of Standard Return used in these accounts is subject to final revision by the Interstate Commerce Commission on completion of its review of the income accounts of the three years ended June 30, 1917, which is the so-called "Test Period."

As information and for the purpose of comparison with past and future years, there are included with these statements a statement of the income of the Federal Administration and a comparative statement of the income of the Corporation and Federal Administration combined.

CHARLES I. STURGIS,
Comptroller.

Chicago, January 1, 1919.

GENERAL BALANCE SHEET

December 31, 1918

ASSETS

Investments:		
Property investment—road and equipment:		
Road	$392,674,156.53	
Equipment	92,252,336.00	
General expenditures	861,071.21	$485,787,563.74
Sinking funds:		
Book assets	$ 10,463,435.73	
Company's own issues included, Par value	10,350,900.00	$ 112,535.73
Deposits in lieu of mortgaged property sold		77,471.96
Miscellaneous physical property		924,210.55
Investments in affiliated companies:		
Stocks	$ 30,204,612.12	
Bonds	1,605,236.93	
Notes	426,704.72	
Advances	1,526,821.72	$ 33,763,375.49
Other investments:		
Stocks	$ 2,510.00	
Bonds	7,460,238.00	
Notes	305,659.10	
Miscellaneous	25.00	7,768,432.10
Total investments		$528,433,589.57
Current assets:		
Cash	$ 1,801,473.05	
Loans and bills receivable	5,053,992.94	
Traffic and car-service balances receivable	114,833.39	
Miscellaneous accounts receivable	1,181,904.83	
Rents receivable	254,164.37	
Other current assets	737,925.22	
Total current assets		$ 9,144,293.80
Deferred assets:		
Working fund advances	$ 20,581.50	
Other deferred assets	345,418.85	
Total deferred assets		$ 366,000.35
U. S. Government deferred assets		$ 69,646,308.89
Unadjusted debits:		
Discount on funded debt	$ 2,185,203.08	
Other unadjusted debits	958,858.89	
Total unadjusted debits		$ 3,144,061.97
Grand total		$610,734,254.58

GENERAL BALANCE SHEET

December 31, 1918

LIABILITIES

Capital stock:		
Common Stock		$110,839,100.00
Long term debt:		
Bonds held by the public	$174,599,300.00	
Bonds held by trustees, account sinking funds	10,350,900.00	
Bonds owned by the Company, unpledged	13,017,000.00	
Bonds owned by the Company, pledged	31,000.00	
Total	$197,998,200.00	
Less bonds held by or for the Company, included in above	23,398,900.00	
Total long term debt		$174,599,300.00
Current liabilities:		
Loans and bills payable	$ 5,687,500.00	
Traffic and car-service balances payable	98,663.49	
Audited accounts and wages payable	1,002,071.09	
Miscellaneous accounts payable	90,725.42	
Interest matured unpaid	1,122,442.50	
Dividends matured unpaid	551.25	
Funded debt matured unpaid	6,600.00	
Unmatured interest accrued	1,044,139.95	
Other current liabilities	488,284.59	
Total current liabilities		$ 9,540,978.29
Deferred liabilities:		
Other deferred liabilities	$ 110,074.97	
Total deferred liabilities		$ 110,074.97
U. S. Government deferred liabilities		$ 43,196,166.96
Unadjusted credits:		
Tax liability	$ 2,487,763.11	
Insurance reserves	1,480,807.07	
Accrued depreciation—Equipment	39,233,705.13	
Other unadjusted credits	1,960,356.92	
Total unadjusted credits		$ 45,162,632.23
Corporate surplus:		
Additions to property since June 30, 1907, through income	$ 59,917,926.04	
Funded debt retired through income	16,615,783.10	
Sinking fund reserves	25,091,421.49	
Appropriated surplus not specifically invested	7,498,244.58	
Profit and loss	118,162,626.92	
Total corporate surplus		$227,286,002.13
Grand total		$610,734,254.58

STATEMENT OF CORPORATE INCOME
YEAR ENDED DECEMBER 31, 1918

Standard Return (annual compensation named in Agreement with Director General of Railroads)			$33,360,683.11
Operating Expenses (General):			
Salaries and expenses of general officers		$ 51,249.06	
Salaries and expenses of clerks and attendants		13,419.45	
General office supplies and expenses		4,240.26	
Law expenses		25,910.24	
Insurance		194.97	
Stationery and printing		703.05	
Valuation expenses		2,076.29	
Other expenses		8,568.18	
Total operating expenses		$ 106,361.50	
War tax accruals		$ 2,479,363.11	$ 2,585,724.61
			$30,774,958.50
NON-OPERATING INCOME:			
Income from lease of road		$ 7,089.28	
Miscellaneous rent income		220,872.00	
Miscellaneous non-operating physical property		Dr. 738.88	
Dividend income		303,153.00	
Income from funded securities		261,894.72	
Income from unfunded securities and accounts		27,230.04	
Income from sinking and other reserve funds		5,086.98	
Miscellaneous income		2,377,760.95	$ 3,202,348.09
Gross income			$33,977,306.59
DEDUCTIONS FROM GROSS INCOME:			
Rent for leased roads		$ 31,817.70	
Miscellaneous rents		21,268.29	
Miscellaneous tax accruals		10,472.86	
Interest on funded debt		6,750,462.58	
Interest on unfunded debt		74,253.92	
Amortization of discount on funded debt		55,792.32	
Miscellaneous income charges		4,240,738.96	$11,184,806.63
Net income			$22,792,499.96
DISPOSITION OF NET INCOME:			
Income applied to sinking funds		$ 841,892.51	
Dividend appropriation of income:			
2 per cent March 25	$2,216,782.00		
2 per cent June 25	2,216,782.00		
2 per cent Sept. 25	2,216,782.00		
2 per cent Dec. 26	2,216,782.00	$ 8,867,128.00	
Income appropriated for investment in physical property		$ 10,265,850.98	$19,974,871.49
Income balance transferred to profit and loss			$ 2,817,628.47

STATEMENT OF FEDERAL INCOME
YEAR ENDED DECEMBER 31, 1918

OPERATING INCOME:		
Railway operating revenues	$144,172,769.29	
Railway operating expenses	112,067,616.18	
Net revenue from railway operations		$32,105,153.11
Railway tax accruals	5,511,594.34	
Uncollectible railway revenues	16,357.57	$ 5,527,951.91
Operating income		$26,577,201.20
NON-OPERATING INCOME:		
Rent from locomotives	$ 190,896.74	
Rent from passenger-train cars	107,285.87	
Rent from floating equipment	319.30	
Rent from work equipment	39,981.56	
Joint facility rent income	523,464.21	
Income from funded securities	14,770.64	
Income from unfunded securities and accounts	405,821.53	
Miscellaneous income	4,239,228.96	$ 5,521,768.81
Gross income		$32,098,970.01
DEDUCTIONS FROM GROSS INCOME:		
Hire of freight cars-debit balance	$ 283,979.31	
Rent for locomotives	59,836.80	
Rent for passenger-train cars	114,281.56	
Rent for floating equipment	150.00	
Rent for work equipment	8,271.73	
Joint facility rents	1,956,529.80	
Interest on unfunded debt	24.96	
Miscellaneous income charges	2,317,938.63	$ 4,741,012.79
Net income		$27,357,957.22
Income balance transferred to profit and loss		$27,357,957.22

CORPORATE AND FEDERAL COMBINED INCOME ACCOUNT

Year ended December 31, 1918, compared with previous year

	1918	1917	Increase or Decrease
OPERATING INCOME:			
Railway operating revenues:			
Transportation:			
Freight	$104,492,837.47	$ 87,008,589.67	$17,484,247.80
Passenger	28,052,904.79	24,373,779.64	3,679,125.15
Excess baggage	226,269.08	255,879.29	d 29,610.21
Parlor and chair car	108.23	1,958.72	d 1,850.49
Mail	2,506,656.72	2,507,898.51	d 1,241.79
Express	3,561,767.83	3,212,079.48	349,688.35
Other passenger train	244,126.08	63,542.30	180,583.78
Milk	632,458.71	473,506.03	158,952.68
Switching	1,505,117.38	1,458,687.26	46,430.12
Special service train	31,881.90	29,084.44	2,797.46
	$141,254,128.19	$119,385,005.34	$21,869,122.85
Incidental:			
Dining and buffet	778,819.59	808,590.34	d 29,770.75
Hotel and restaurant	248,777.58	190,474.65	58,302.93
Station and train privileges	11,642.22	8,745.77	2,896.45
Parcel room	17,415.77	17,314.45	101.32
Storage—Freight	60,395.11	47,874.95	12,520.16
Storage—Baggage	22,088.53	20,754.09	1,334.44
Demurrage	633,986.30	575,812.96	58,173.34
Telegraph and telephone	262,405.88	259,843.19	2,562.69
Stock yards	351,728.16	560,958.87	d 209,230.71
Rent of buildings and other property	175,130.25	168,779.67	6,350.58
Miscellaneous	207,393.64	183,208.91	24,184.73
	$ 2,769,783.03	$ 2,842,357.85	d $ 72,574.82
Joint facility—Cr	149,752.50	119,061.43	30,691.07
Joint facility—Dr	894.43	3,718.02	d 2,823.59
	$ 148,858.07	$ 115,343.41	$ 33,514.66
Total railway operating revenues	$144,172,769.29	$122,342,706.60	$21,830,062.69
Railway operating expenses:			
Maintenance of way and structures	19,996,385.84	12,984,568.91	7,011,816.93
Maintenance of equipment	29,726,986.52	18,196,488.95	11,530,497.57
Traffic	1,209,796.31	1,681,061.04	d 471,264.73
Transportation	56,825,202.78	42,293,222.68	14,531,980.10
Miscellaneous operations	1,370,722.10	1,455,938.67	d 85,216.57
General	3,502,856.31	2,764,770.21	738,086.10
Transportation for investment—Cr	Cr. 457,972.18	Cr. 743,706.93	285,734.75
Total railway operating expenses	$112,173,977.68	$ 78,632,343.53	$33,541,634.15
Net revenue from railway operations	$ 31,998,791.61	$ 43,710,363.07	d $11,711,571.46
Railway tax accruals	$ 7,990,957.45	$ 8,400,174.84	d $ 409•217.39
Uncollectible railway revenue	16,357.57	29,432.51	d 13,074.94
	$ 8,007,315.02	$ 8,429,607.35	d $ 422,292.33
Operating income	$ 23,991,476.59	$ 35,280,755.72	d $11,289,279.13

d–Indicates decrease.

CORPORATE AND FEDERAL COMBINED INCOME ACCOUNT

Year ended December 31, 1918, compared with previous year

	1918	1917	Increase or Decrease
Operating income	$ 23,991,476.59	$ 35,280,755.72	d $11,289,279.13
NON-OPERATING INCOME:			
Hire of equipment	$ 338,483.47	$ 902,724.10	d $ 564,240.63
Joint facility rent income	523,464.21	655,266.25	d 131,802.04
Income from lease of road	7,089.28	2,844.12	4,245.16
Miscellaneous rent income	220,872.00	177,954.89	42,917.11
Miscellaneous non-operating physical property	Dr. 738.88	6,287.85	d 7,026.73
Dividend income	303,153.00	307,302.62	d 4,149.62
Income from funded securities	276,665.36	41,635.61	235,029.75
Income from unfunded securities and accounts	433,051.57	1,033,135.81	d 600,084.24
Income from sinking funds	5,086.98	4,272.58	814.40
Miscellaneous income	59,822.32	2,180.13	57,642.19
	$ 2,166,949.31	$ 3,133,603.96	d $ 966,654.65
Gross income	$ 26,158,425.90	$ 38,414,359.68	d $12,255,933.78
DEDUCTIONS FROM GROSS INCOME:			
Hire of equipment	$ 466,519.40	$ 224,711.11	$ 241,808.29
Joint facility rents	1,956,529.80	1,865,563.28	90,966.52
Rent for leased roads	31,817.70	29,080.69	2,737.01
Miscellaneous rents	21,268.29	25,656.66	d 4,388.37
Miscellaneous tax accruals	10,472.86	16,963.16	d 6,490.30
Interest on funded debt	6,750,462.58	6,790,176.50	d 39,713.92
Interest on unfunded debt	74,278.88	802.69	73,476.19
Amortization of discount on funded debt	55,792.32	55,373.16	419.16
Miscellaneous income charges	1,510.00	....	1,510.00
	$ 9,368,651.83	$ 9,008,327.25	$ 360,324.58
Net income	$ 16,789,774.07	$ 29,406,032.43	d $12,616,258.36
DISPOSITION OF NET INCOME:			
Income applied to sinking funds	$ 841,892.51	$ 1,397,030.86	d $ 555,138.35
Dividend appropriations of income	8,867,128.00	19,951,038.00	d 11,083,910.00
Income appropriated for investment in physical property	10,265,850.98	8,057,963.57	2,207,887.41
	$ 19,974,871.49	$ 29,406,032.43	d $ 9,431,160.94
Income balance transferred to profit and loss	Def. $3,185,097.42	....	d $ 3,185,097.42

d–Indicates decrease.

FUNDED DEBT OF THE CHICAGO,

Designation of Bond or Obligation	Term		Total Par Value Authorized	Total Nominally or Actually Outstanding
	Date of Issue	Date of Maturity		
MORTGAGE BONDS				
C. B. & Q. R. R.:				
General mortgage	Mar. 2, 1908	Mar. 1, 1958	$75,120,000	$ 75,120,000
Illinois Division	July 1, 1899	July 1, 1949	50,835,000	50,835,000
Illinois Division	July 1, 1899	July 1, 1949	34,165,000	34,165,000
Iowa Division mortgage sinking fund bonds	Oct. 1, 1879	Oct. 1, 1919	3,000,000	1,642,000
Iowa Division mortgage sinking fund bonds	Oct. 1, 1879	Oct. 1, 1919	12,502,000	4,648,000
Nebraska extension mortgage sinking fund bonds	May 2, 1887	May 1, 1927	29,441,000	20,722,000
Republican Valley R. R.:				
Mortgage sinking fund bonds	July 1, 1879	July 1, 1919	1,078,000	....
COLLATERAL TRUST BONDS				
C. B. & Q. R. R.:				
Sinking fund bonds (Denver Extension)	Dec. 1, 1881	Feb. 1, 1922	7,968,000	7,310,200
PLAIN BONDS				
C. B. & Q. R. R.:				
Sinking fund bonds	Sept. 1, 1881	Sept. 1, 1921	4,300,000	3,556,000
Total	....	....	$218,409,000	$197,998,200

BURLINGTON & QUINCY RAILROAD COMPANY

Nominally Outstanding, Held by or for Company			Actually Outstanding in Hands of Public	Interest		
In Treasury	Pledged as Collateral	In Sinking Funds		Rate	When Payable	Accrued During Year on Bonds Actually Outstanding
$ 9,873,000	....	....	$ 65,247,000	4	M. & S.	$2,609,880.00
384,000	....	....	50,451,000	3½	J. & J.	1,765,785.00
189,000	....	....	33,976,000	4	J. & J.	1,359,040.00
....	....	....	1,642,000	5	A. & O.	82,100.00
174,000	....	....	4,474,000	4	A. & O.	178,960.00
2,397,000	$31,000	....	18,294,000	4	M. & N.	731,760.00
....	....	....	....	6	J. & J.	....
....	....	$ 6,804,900	505,300	4	F. & A.	22,467.55
....	....	3,546,000	10,000	4	M. & S.	470.03
$13,017,000	$31,000	$10,350,900	$174,599,300	....	....	$6,750,462.58

DESCRIPTION OF OUTSTANDING BONDS

The amount of bonds outstanding, $197,998,200, includes uncanceled bonds held in sinking funds, amounting to $10,350,900.

C. B. & Q. General Mortgage 4's of 1958

This is a first mortgage on the Company's main line and branches, situated in the States of Illinois, Wisconsin, Minnesota, Iowa, Missouri, Nebraska, Kansas, Colorado, South Dakota, Wyoming and Montana, and includes its terminals in Chicago, Aurora, Galesburg, Peoria and East St. Louis in Illinois; St. Paul and Winona in Minnesota; St. Louis, Hannibal, Kansas City and St. Joseph in Missouri; Clinton, Dubuque, Burlington, Ottumwa, Des Moines and Council Bluffs in Iowa; Omaha and Lincoln in Nebraska; Denver in Colorado; and elsewhere, subject to prior liens of mortgages described on following pages.

	Miles
The mortgage covers	8,489.79
Of which there are subject to prior liens	4,558.70
Leaving the general mortgage 4's a first lien on	3,931.09

No changes during year

C. B. & Q. Illinois Division 3 1-2's and 4's of 1949

This is a first mortgage on the following mileage and the Company's terminals in Chicago and points on and east of the Mississippi River:

	Miles
Chicago, Ill., to Burlington, Iowa	204.04
Galesburg, Ill., to Quincy, Ill	99.91
South Aurora, Ill., to St. Paul, Minn	379.50
Rock Island, Ill., to East Alton, Ill	226.85
South Aurora, Ill., to West Chicago, Ill	12.35
Aurora, Ill., to Geneva, Ill	7.54
Montgomery, Ill., to Streator, Ill	57.55
Streator, Ill., to Walnut Junction, Ill	59.49
Sheridan Junction, Ill., to Paw Paw, Ill	19.54
Mendota, Ill., to Savanna, Ill	80.86
Buda, Ill., to Elmwood, Ill	44.82
Yates City, Ill., to Rushville, Ill	62.79
Galva, Ill., to New Boston, Ill	50.63
Galesburg, Ill., to Peoria, Ill	52.77
Galesburg, Ill., to Rio, Ill	12.22
Gladstone, Ill., to Arpee, Ill	23.38
Carthage Junction, Ill., to Quincy, Ill	71.21
Quincy, Ill., to East Louisiana and East Hannibal, Ill	46.33
Shabbona, Ill., to Barstow, Ill	88.42
Flag Center, Ill., to Rockford, Ill	23.50
Oregon, Ill., to Forreston, Ill	17.96
Galena Junction, Ill., to Galena, Ill	3.82
East Clinton, Ill., to Clinton, Iowa	.39
East Dubuque, Ill., to Dubuque, Iowa	.53
Total	1,646.40

These bonds may be redeemed by the Company on six months' notice, at 105 and accrued interest, upon any interest day after July 1, 1929.

No changes during year

C. B. & Q. Iowa Division 4's and 5's of 1919

This is a first mortgage on the following mileage and on 85.69 miles of second track in Iowa:

	Miles.
Burlington, Iowa, to Pacific Junction, Iowa	270.40
Red Oak, Iowa, to Hamburg, Iowa	39.17
Chariton, Iowa, to Leon, Iowa	36.54
Creston, Iowa, to Hopkins, Mo	44.61
Main track in Council Bluffs, Iowa	1.57
Leon, Iowa, via Bethany Junction, Mo., to Grant City, Mo., and from Bethany Junction, Mo., to Albany, Mo	103.28
Hastings, Iowa, to Sidney, Iowa	21.12
Villisca Junction, Iowa, to Burlington Junction, Mo	35.02
Clarinda, Iowa, to Northboro, Iowa	17.85
Red Oak, Iowa, to Griswold, Iowa	18.04
Creston, Iowa, to Fontanelle, Iowa	26.83
Hastings, Iowa, to Carson, Iowa	15.79
Chariton, Iowa, to Indianola, Iowa	30.49
Knoxville, Iowa, to Des Moines, Iowa	32.92
Albany, Mo., to St. Joseph, Mo	48.75
Fontanelle, Iowa, to Cumberland, Iowa	20.33
Albia, Iowa, to Knoxville, Iowa	32.97
Van Wert, Iowa, to Shenandoah, Iowa	95.34
Total	891.02

The sinking fund payment is 1½ percent of the par value of all bonds issued, payable October 1, and is to be invested in bonds of this issue at a maximum price of 105 and accrued interest for 5's, and par and accrued interest for 4's. Bonds to be drawn at maximum price if they cannot be purchased, and when so purchased or drawn, to be canceled.

Changes during year

Purchased for sinking funds and canceled	$238,000

C. B. & Q. Nebraska Extension 4's of 1927

	Miles.
This is a first mortgage on a section of the Republican Valley R. R., from Hastings to Aurora, Neb	27.75
And on a section of the Grand Island & Wyoming Central R. R., from Grand Island to Alliance, Neb	269.16

And is also secured by the deposit with the trustee of $23,494,200 of the first mortgage bonds of the railroad companies whose roads are described below, viz.:

Nebraska & Colorado R. R.	
De Witt, Neb., via Strang, Blue Hill and Holdrege, to west line of Nebraska	298.32
Fairmont, Neb., via Strang, to Chester, Neb	45.19
Edgar, Neb., to Superior, Neb	26.53
Kenesaw, Neb., via Holdrege, to Oxford, Neb	60.67
Omaha & North Platte R. R.	
Omaha, Neb., via Ashland, to Schuyler, Neb	80.59
Lincoln & Black Hills R. R.	
Central City, Neb., to Ericson, Neb	62.94
Palmer, Neb., to Arcadia, Neb	53.61
Greeley Center, Neb., to Burwell, Neb	40.38
Colorado & Wyoming R. R.	
From Junction with Nebraska & Colorado R. R., on west line of State of Nebraska to Junction with Cheyenne & Burlington R. R., on the south line of Wyoming	144.58
Cheyenne & Burlington R. R.	
From Junction with Colorado & Wyoming R. R., as above, to Cheyenne, Wyo	29.01
Oxford & Kansas R. R.	
Orleans, Neb., to a Junction with the Beaver Valley R. R., on the south line of the State of Nebraska	59.61
Beaver Valley R. R.	
From a Junction with the Oxford & Kansas R. R., as above, to St. Francis, Kan	74.18
Chicago, Nebraska & Kansas R. R.	
Odell, Neb., to Concordia, Kan	71.49
Republican Valley, Kansas & Southwestern R. R.	
Republican City, Neb., to Oberlin, Kan	78.23
Republican Valley & Wyoming R. R.	
Culbertson, Neb., to Imperial, Neb	49.17
Total	1,471.41

Sinking fund is 1 percent of the par value of all bonds issued payable annually on May 1, and is to be invested in bonds of this issue at a maximum price of 110 and accrued interest, the bonds so purchased to be canceled. If in any year sufficient bonds to absorb the fund cannot be purchased on proposals at or under the maximum price, any unexpended remainder of the sinking fund payment is to be returned to the general funds of the Company, and its obligation to purchase bonds during that year therewith ceases.

Changes during year

Purchased for sinking fund and canceled	$316,000

C. B. & Q. Sinking Fund 4's of 1922

(Denver Extension)

Secured by the deposit with the trustee of an equal amount of first mortgage bonds of the railroad companies whose roads are described below, viz.:

	Miles
Republican Valley R. R. Co.	
West line of Red Willow County, Neb., to west line of Nebraska	72.60
Nemaha, Neb., to Beatrice, Neb	65.19
Nemaha, Neb., to Salem, Neb	17.73
Table Rock, Neb., to Wymore, Neb	39.09
Burlington & Colorado R. R. Co.	
West line of Nebraska to Denver, Colo	174.87
Total	369.48

In addition to the above, the trustee holds $540,000 out of a total of $2,105,000 of Republican Valley R. R. Company's first mortgage bonds secured upon the mileage described below, the remaining $1,565,000 of these bonds being held by the trustee of the C. B. & Q. R. R. Co. General Mortgage 4's of 1958.

	Miles
Aurora, Neb., to York, Neb	21.64
Aurora, Neb., to Central City, Neb	19.71
Aurora, Neb., to Grand Island, Neb	18.51
Beatrice, Neb., via Wymore, to Red Cloud, Neb	120.53
	180.39

Sinking fund payment, $79,680 per annum, payable January 1 and July 1, is to be invested in bonds of this issue at a maximum price of par and accrued interest. Bonds to be drawn at maximum price if they cannot be purchased, and to be held uncanceled by the trustees until maturity. Interest on bonds held in the fund to be added to the semi-annual payments, and invested in the same manner. Of the $7,310,200 bonds outstanding $6,804,900 are now in the sinking fund of this issue.

Changes during year

Bought for and held uncanceled in sinking fund	$251,000

C. B. & Q. Sinking Fund 4's of 1921

No underlying securities

Of the $3,556,000 bonds outstanding, $3,546,000 are now in the sinking fund of this issue.

Changes during year

Purchased and canceled	$4,000

SINKING FUND ASSETS ON DECEMBER 31, 1918

Name of Fund and Security	Securities in Funds	Cash in Fund	Total
	Par Value		
SINKING FUND			
C. B. & Q. R. R. 4 and 5 per cent bonds of 1919 (Iowa Division)	....	$ 23.22	$ 23.22
C. B. & Q. R. R. 4 per cent bonds of 1921	$ 3,546,000.00	14,265.98	3,560,265.98
C. B. & Q. R. R. 4 per cent bonds of 1922 (Denver Extension)	6,804,900.00	98,246.53	6,903,146.53
Total	$10,350,900.00	$112,535.73	$10,463,435.73

COMPARATIVE STATEMENT OF OPERATING EXPENSES—CORPORATE AND FEDERAL COMBINED

MAINTENANCE OF WAY AND STRUCTURES (ALL FEDERAL)	1918	1917	INCREASE	DECREASE
Superintendence	$ 1,093,303.29	$ 854,434.40	$ 238,868.89	
Roadway maintenance	2,339,189.70	1,658,738.37	680,451.33	
Tunnels and subways	2,222.80	2,864.69		$ 641.89
Bridges, trestles and culverts	1,321,387.88	1,305,058.58	16,329.30	
Ties	2,091,985.96	2,096,095.54		4,109.58
Rails	139,364.15	Cr. 47,384.53	186,748.68	
Other track material	729,100.41	434,954.21	294,146.20	
Ballast	257,514.92	115,185.45	142,329.47	
Track laying and surfacing	6,547,246.04	3,784,217.79	2,763,028.25	
Right-of-way fences	222,021.40	135,234.56	86,786.84	
Snow and sand fences and snowsheds	22,214.88	10,619.04	11,595.84	
Crossings and signs	271,704.72	191,130.31	80,574.41	
Stations and office buildings	699,929.99	553,144.10	146,785.89	
Roadway buildings	248,744.82	104,981.98	143,762.84	
Water stations	501,375.72	335,169.46	166,206.26	
Fuel stations	161,854.94	104,328.23	57,526.71	
Shops and enginehouses	977,213.51	470,666.19	506,547.32	
Storage warehouses	130.60	221.83		91.23
Wharves and docks	17,278.01	3,220.11	14,057.90	
Telegraph and telephone lines	202,174.77	169,259.76	32,915.01	
Signals and interlockers	410,342.51	259,643.04	150,699.47	
Power plant buildings	6,944.30	1,128.66	5,815.64	
Power distribution systems	1,758.64	612.79	1,145.85	
Power line poles and fixtures	691.59	143.09	548.50	
Miscellaneous structures	127,491.09	71,273.00	56,218.09	
Paving	Cr. 424.96	383.86		808.82
Roadway machines	171,565.46	113,730.73	57,834.73	
Small tools and supplies	220,855.98	129,315.73	91,540.25	
Removing snow, ice and sand	491,538.68	135,779.90	355,758.78	
Assessments for public improvements	75,142.14	Cr. 2,834.05	77,976.19	

Injuries to persons	$ 157,997.35	$ 151,153.16	$ 6,844.19	
Insurance	113,826.07	111,143.38	2,682.69	
Stationery and printing	36,176.43	31,809.16	4,367.27	
Other expenses	972.55	1,206.25		233.70
Maintaining joint tracks, yards and other facilities—Dr.	633,849.77	461,260.03	172,589.74	
Maintaining joint tracks, yards and other facilities—Cr.	Cr. 298,300.27	Cr. 763,319.89	465,019.62	
Total	$19,996,385.84	$12,984,568.91	$ 7,011,816.93	
MAINTENANCE OF EQUIPMENT (ALL FEDERAL)				
Superintendence	$ 636,692.62	$ 434,485.01	$ 202,207.61	
Shop machinery	997,507.30	698,328.79	299,178.51	
Power plant machinery	80,919.00	36,610.07	44,308.93	
Steam locomotives—repairs	11,268,444.18	6,520,943.87	4,747,500.31	
Steam locomotives—depreciation	1,029,503.45	1,082,928.85		53,425.40
Steam locomotives—retirements	Cr. 25,366.26	Cr. 48,448.15	23,081.89	
Freight train cars—repairs	10,258,708.79	4,626,485.29	5,632,223.50	
Freight train cars—depreciation	2,642,283.65	2,797,592.99		155,309.34
Freight train cars—retirements	Cr. 157,412.29	Cr. 60,313.07		97,099.22
Passenger train cars—repairs	1,416,018.89	889,036.04	526,982.85	
Passenger train cars—depreciation	251,956.52	226,719.82	25,236.70	
Passenger train cars—retirements	Cr. 30,356.68	Cr. 46,966.08	16,609.40	
Motor equipment of cars—repairs	4,244.40	3,241.87	1,002.53	
Motor equipment of cars—depreciation	722.04	720.00	2.04	
Floating equipment—repairs	1,315.90	2,095.22		779.32
Floating equipment—depreciation	500.04	1,349.85		849.81
Floating equipment—retirements		12,753.67		12,753.67
Work equipment—repairs	665,766.86	361,036.75	304,730.11	
Work equipment—depreciation	233,278.09	241,194.63		7,916.54
Work equipment—retirements	13,913.57	45,697.31		31,783.74
Injuries to persons	109,974.43	101,051.40	8,923.03	
Insurance	198,018.99	189,052.86	8,966.13	
Stationery and printing	25,208.68	22,767.66	2,441.02	
Other expenses	639.16	1,484.01		844.85
Maintaining joint equipment of terminals—Dr.	108,214.36	61,276.69	46,937.67	
Maintaining joint equipment of terminals—Cr	Cr. 3,709.17	Cr. 4,636.40	927.23	
Total	$29,726,986.52	$18,196,488.95	$11,530,497.57	

COMPARATIVE STATEMENT OF OPERATING EXPENSES—CORPORATE AND FEDERAL COMBINED—CONTINUED

TRAFFIC (ALL FEDERAL)	1918	1917	INCREASE	DECREASE
Superintendence	$ 433,310.66	$ 431,205.87	$ 2,104.79	....
Outside agencies	446,421.37	746,191.92	....	$ 299,770.55
Advertising	93,748.69	296,193.25	....	202,444.56
Traffic associations	106,707.35	53,425.66	53,281.69	....
Industrial and immigration bureaus	11,467.50	19,954.50	....	8,487.00
Insurance	411.16	722.64	....	311.48
Stationery and printing	117,719.80	133,186.96	....	15,467.16
Other expenses	9.78	180.24	....	170.46
Total	$ 1,209,796.31	$ 1,681,061.04	....	$ 471,264.73
TRANSPORTATION (ALL FEDERAL)				
Superintendence	$ 1,082,705.65	$ 821,597.95	$ 261,107.70	....
Dispatching trains	801,487.14	584,298.05	217,189.09	....
Station employes	7,719,720.39	5,485,826.67	2,233,893.72	....
Weighing, inspection and demurrage bureaus	151,929.13	107,821.43	44,107.70	....
Station supplies and expenses	403,208.49	383,810.55	19,397.94	....
Yardmasters and yard clerks	959,540.63	626,085.84	333,454.79	....
Yard conductors and brakemen	3,666,173.65	2,639,379.66	26,793.99	....
Yard switch and signal tenders	220,846.31	149,248.58	71,597.73	....
Yard enginemen	2,118,554.83	1,623,502.50	495,052.33	....
Fuel for yard locomotives	2,082,130.15	1,541,358.56	540,771.59	....
Water for yard locomotives	150,852.19	113,274.23	37,577.96	....
Lubricants for yard locomotives	15,902.36	17,672.75	....	1,770.39
Other supplies for yard locomotives	50,237.49	34,960.68	15,276.81	....
Enginehouse expenses—yard	791,786.76	433,436.87	358,349.89	....
Yard supplies and expenses	47,787.40	36,368.15	11,419.25	....
Operating joint yards and terminals—Dr	1,373,902.75	1,013,919.00	359,983.75	....
Operating joint yards and terminals—Cr	Cr. 98,587.52	Cr. 108,296.23	9,708.71	....
Train enginemen	5,839,172.76	4,691,418.42	1,147,754.34	....

Train motormen	$ 3,674.91	$ 3,557.27	$ 117.64	
Fuel for train locomotives	11,839,983.21	8,908,362.75	2,931,620.46	
Train power purchased	7,887.96	9,454.03		$ 1,566.07
Water for train locomotives	578,632.74	423,675.55	154,957.19	
Lubricants for train locomotives	118,168.02	133,047.95		14,879.93
Other supplies for train locomotives	217,870.65	147,505.14	70,365.51	
Enginehouse expenses—train	2,337,010.63	1,491,145.13	1,845,865.50	
Trainmen	5,893,229.40	4,491,111.75	1,402,117.65	
Train supplies and expenses	3,010,696.81	1,920,214.51	1,090,482.30	
Signal and interlocker operation	235,674.83	157,741.46	77,933.37	
Crossing protection	296,084.00	179,768.89	116,315.11	
Drawbridge operation	18,279.34	12,256.25	6,023.09	
Telegraph and telephone operation	444,818.27	337,582.81	107,235.46	
Operating floating equipment	8,594.83	9,199.34		604.51
Stationery and printing	321,455.29	286,562.94	34,892.35	
Other expenses	37,572.83	52,927.34		15,354.51
Operating joint tracks and facilities—Dr	282,590.45	196,629.24	85,961.21	
Operating joint tracks and facilities—Cr	Cr. 185,633.40	Cr. 137,858.53		47,774.87
Insurance	112,466.70	91,577.93	20,888.77	
Clearing wrecks	262,848.64	153,031.15	109,817.49	
Damage to property	211,114.82	248,874.77		37,759.95
Damage to live stock on right of way	150,896.76	134,243.66	16,653.10	
Loss and damage—freight	2,195,713.82	1,628,950.27	566,763.55	
Loss and damage—baggage	5,751.08	8,246.78		2,495.70
Injuries to persons	1,042,469.63	1,209,730.64		167,261.01
Total	$56,825,202.78	$42,293,222.68	$14,531,980.10	
MISCELLANEOUS OPERATIONS (ALL FEDERAL)				
Dining and buffet service	$ 868,584.00	$ 829,179.51	$ 39,404.49	
Hotels and restaurants	258,265.07	180,340.00	77,925.07	
Stockyards	243,873.03	446,419.16		$ 202,546.13
Total	$ 1,370,722.10	$ 1,455,938.67		$ 85,216.57

COMPARATIVE STATEMENT OF OPERATING EXPENSES—CORPORATE AND FEDERAL COMBINED—CONTINUED.

GENERAL (CORPORATE AND FEDERAL)	1918	1917	INCREASE	DECREASE
Salaries and expenses of general officers	$ 256,440.04	$ 269,210.35		$12,770.31
Salaries and expenses of clerks and attendants	2,004,528.75	1,356,810.77	$ 647,717.98	
General office supplies and expenses	107,578.31	75,597.65	31,980.66	
Law expenses	266,497.60	298,980.96		32,483.36
Insurance	5,440.24	8,066.39		2,626.15
Relief department expenses	132,276.83	107,065.01	25,211.82	
Pensions	27,377.08	37,122.23		9,745.15
Stationery and printing	104,539.56	107,630.61		3,091.05
Valuation expenses	503,845.59	409,259.80	94,585.79	
Other expenses	62,088.97	70,863.80		8,774.83
General joint facilities—Dr	34,087.73	27,351.00	6,736.73	
General joint facilities—Cr	Cr. 1,844.39	Cr. 3,188.36	1,343.97	
Total	$ 3,502,856.31	$ 2,764,770.21	$ 738,086.10	
Transportation for investment—Cr	Cr. 457,972.18	Cr. 743,706.93	285,734.75	
Total operating expenses	$112,173,977.68	$78,632,343.53	$33,541,634.15	
Operating ratio	77.81%	64.27%	13.54%	

THE COLORADO & SOUTHERN RAILWAY COMPANY

COMPARATIVE STATEMENT OF CORPORATE INCOME

Years Ended December 31

1918		1917
$2,481,211.88	Standard return	
16,000.61	Operating expenses (general)	
44,000.00	War tax accruals	
60,000.61	Total operating expenses and taxes	
$2,421,211.27	Net	
	Operating income less net equipment and joint facility rents	$3,512,620.87
	NON-OPERATING INCOME	
$ 58,292.62	Rents	$ 53,838.86
1,157,275.76	Dividends and miscellaneous interest	1,291,526.16
242,112.25*	Miscellaneous income	31.91
$1,457,680.63	Total non-operating income	$1,345,396.93
$3,878,891.90	Gross income	$4,858,017.80
	DEDUCTIONS FROM GROSS INCOME	
$ 112,422.90	Rents	$ 112,667.86
2,160,018.00	Interest on funded debt	2,162,825.50
90.33	Interest on unfunded debt	131.39
13,729.31	Amortization of discount on funded debt	13,730.74
216,260.20*	Miscellaneous income charges	75,206.10
$2,502,520.74	Total deductions from gross income	$2,364,561.59
$1,376,371.16	Net income	$2,493,456.21
	DISPOSITION OF NET INCOME	
	Appropriations for:	
$ 680,000.00	Dividends	$ 680,000.00
$ 680,000.00	Total appropriations of income	$ 680,000.00
$ 696,371.16	Income balance	$1,813,456.21

**Includes "Lap-over" items credited and charged by Federal Administration.

QUINCY, OMAHA & KANSAS CITY RAILROAD COMPANY

STATEMENT OF CORPORATE INCOME

Year Ended December 31, 1918

Standard Return (annual compensation named in agreement with Director General of Railroads)		$29,396.50
OPERATING EXPENSES (General)		
General office supplies and expenses	$ 103.38	
Stationery and printing	Cr. 50.00	$ 53.38
		$29,343.12
NON-OPERATING INCOME		
Income from lease of road	$1,800.00	
Miscellaneous rent income	142.04	
Income from unfunded securities and accounts	5.59	
Miscellaneous income	3,850.38	$ 5,798.01
Gross income		$35,141.13
DEDUCTIONS FROM GROSS INCOME		
Miscellaneous income charges		$37,248.58
Income balance transferred to Profit and Loss		Def. $ 2,107.45

STATEMENT OF FEDERAL INCOME

Year Ended December 31, 1918

OPERATING INCOME		
Railway operating revenues	$1,057,825.21	
Railway operating expenses	1,322,723.92	
Net revenue from railway operations		Def. $264,898.71
Railway tax accruals	$ 34,453.55	
Uncollectible railway revenues	42.85	34,496.40
Operating income		Def. $299,395.11
NON-OPERATING INCOME		
Rent from locomotives	$ 1,889.90	
Rent from passenger-train cars	806.81	
Rent from work equipment	384.59	
Joint facility rent income	124.40	
Income from unfunded securities and accounts	106.51	
Miscellaneous income	37,248.58	$ 40,560.79
Gross income		Def. $258,834.32
DEDUCTIONS FROM GROSS INCOME		
Hire of freight cars—Debit balance	$ 1,618.62	
Rent for locomotives	13,650.00	
Rent for passenger-train cars	861.92	
Rent for work equipment	174.97	
Joint facility rent	35,079.92	
Miscellaneous income charges	3,850.38	$ 55,235.81
Income balance transferred to Profit and Loss		Def. $314,070.13

QUINCY, OMAHA & KANSAS CITY RAILROAD COMPANY

CORPORATE AND FEDERAL COMBINED
INCOME ACCOUNT

Year Ended December 31, 1918, compared with previous year

1918	OPERATING REVENUES	1917
$ 743,913.76	Freight	$565,861.64
243,288.55	Passenger	231,400.95
25,361.23	Mail	31,433.84
27,095.79	Express	26,431.73
8,717.09	Miscellaneous	8,207.03
9,448.79	Incidental	8,553.84
$1,057,825.21	Total operating revenue	$871,889.03
	OPERATING EXPENSES	
$ 423,223.41	Maintenance of way and structures	$218,308.36
248,961.70	Maintenance of equipment	142,916.97
9,319.28	Traffic	15,061.36
619,174.18	Transportation	407,848.36
22,568.66	General	24,730.41
Cr. 469.93	Transportation for investment—Cr.	Cr. 911.14
$1,322,777.30	Total operating expenses	$807,954.32
Def. $ 264,952.09	Net operating revenue	$ 63,934.71
$ 34,453.55	Railway tax accruals	$ 36,419.94
42.85	Uncollectible railway revenue	73.40
$ 34,496.40		$ 36,493.34
Def. $ 299,448.49	Operating income	$ 27,441.37
	NON-OPERATING INCOME	
$ 3,081.30	Hire of equipment	$ 8,772.69
124.40	Joint facility rent income	333.06
1,800.00	Income from lease of road	1,800.00
142.04	Miscellaneous rent income	640.64
112.10	Income from unfunded securities and accounts	234.72
$ 5,259.84	Total non-operating income	$ 11,781.11
Def. $ 294,188.65	Gross income	$ 39,222.48
	DEDUCTIONS FROM GROSS INCOME	
$ 16,305.51	Hire of equipment	$ 13,688.55
35,079.92	Joint facility rents	29,267.60
$ 51,385.43	Total deductions from gross income	$ 42,956.15
Def. $ 345,574.08	Income balance	Def. $ 3,733.67